

**GREATER FAIRBANKS
CHAMBER OF COMMERCE**
Energy, Environment, and
Natural Resources Committee

Frank Richards, P.E.

Senior Vice President, Program Management

September 11, 2019



AGDC.us

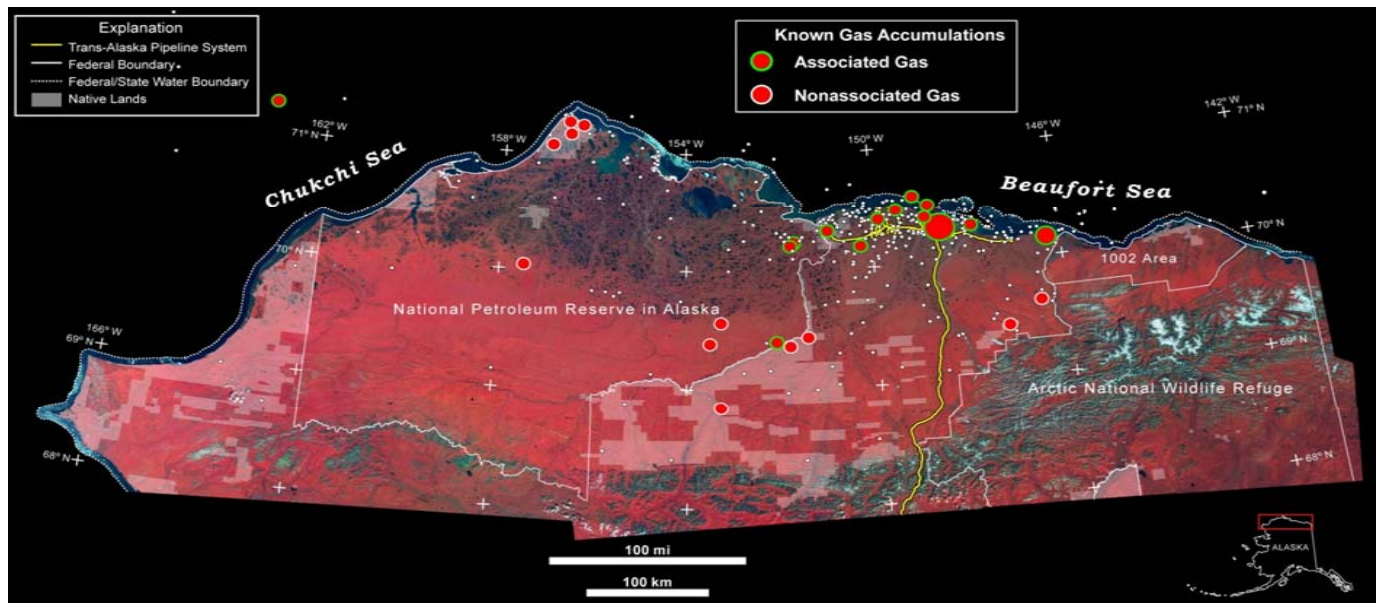


What is AGDC?

Alaska Gasline Development Corporation (AGDC):

- Independent, public corporation owned by the State of Alaska
- Maximize the benefit of Alaska's vast North Slope natural gas resources for Alaskans
- Created by the Alaska legislature

Alaska's North Slope is a hydrocarbon-rich, largely unexplored area. At 245,000 km², it is larger than most U.S. states.






Our North Slope Gas Opportunity

Alaska's gas is proven and conventional

- Initial: 35 Tcf from Prudhoe Bay and Point Thomson
- Future gas from entire North Slope:
 - 200 Tcf conventional
 - Shale and hydrates add 100's Tcf

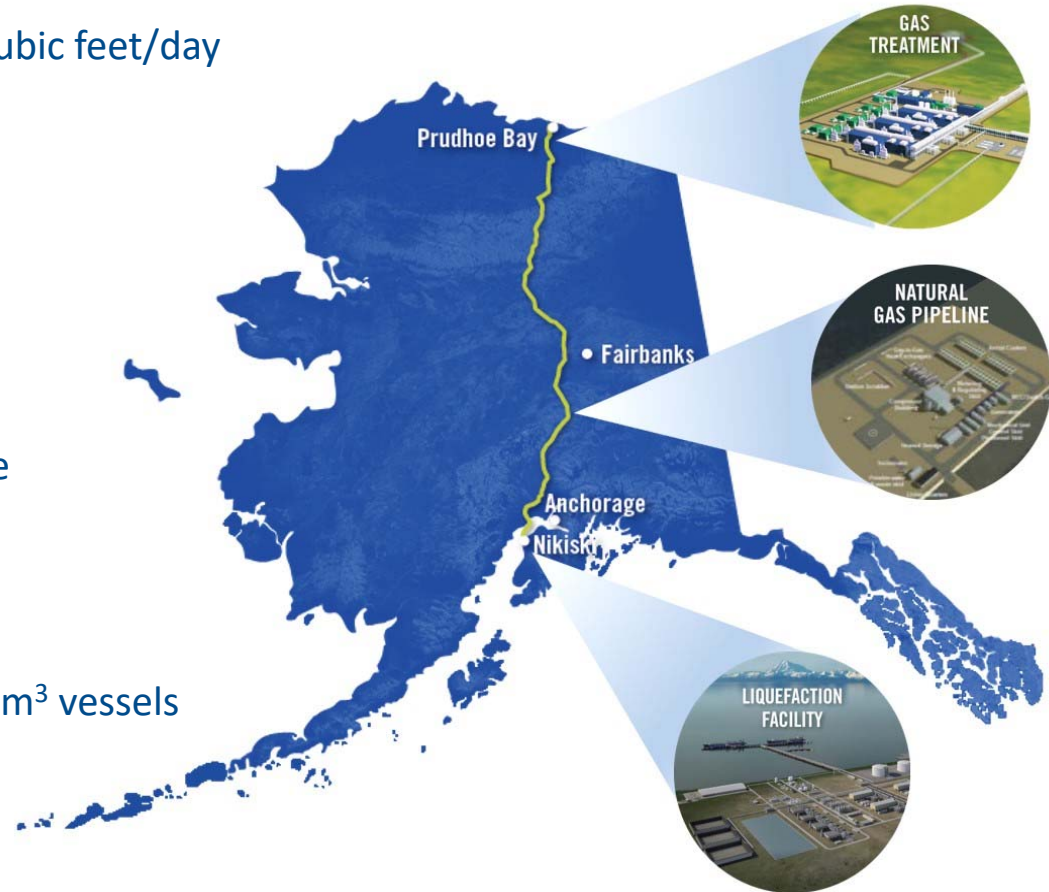
ANCHORAGE DAILY NEWS

Research firm dubs Alaska's North Slope a 'super basin,' with oil production poised to surge

 Author: Alex DeMarban  Updated: August 22, 2018  Published August 22, 2018

What is Alaska LNG?

- **Gas Treatment Plant:**
 - Treat and compress 3.5 billion cubic feet/day (Bcf/d)
 - CO₂ Capture – Remove CO₂ and reinject into reservoir
- **Pipeline:**
 - 807-mile (1,299 km) pipeline
 - Established corridor
 - Multiple offtakes for in-state use
- **LNG Production Facility:**
 - 20 million tonnes per annum (MTPA)
 - Two berths, capable of 217,000 m³ vessels
- **Gas Supply**
 - Prudhoe Bay Field – 75%
 - Point Thomson Field – 25%



Alaska LNG Regulatory

FERC Section 3 Application & EIS Process

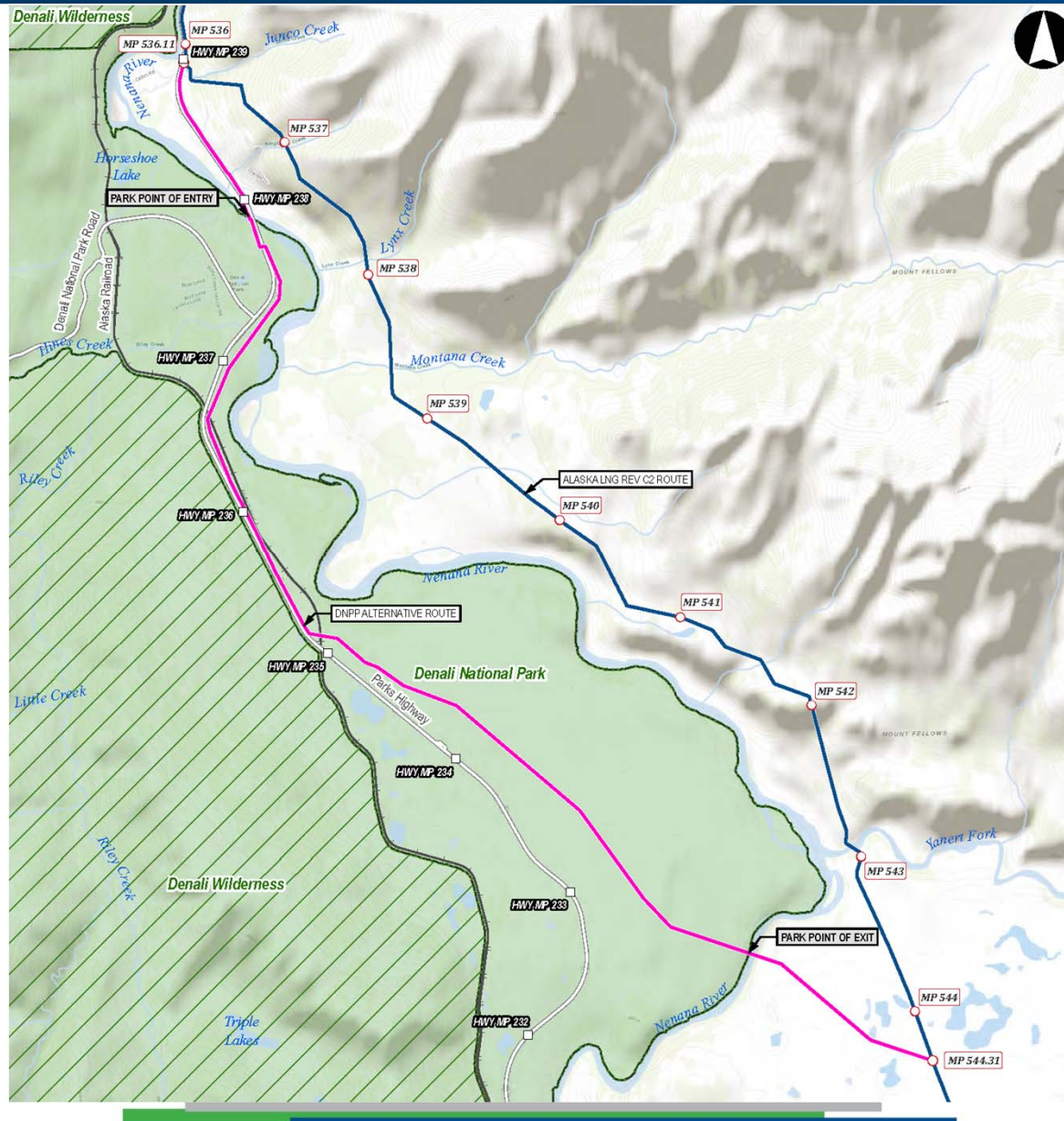
- April 2017 initial application
- 150,000+ pages of data submitted
- Responses to 1,800 Environmental & Engineering Data Requests
- Draft Environmental Impact Statement (EIS) published June 2019
- June - October public comment period:
 - Eight FERC public comment meetings
 - **Fairbanks Public Meeting**
Thursday, September 12, 2019
5:00–8:00 p.m.
Morris Thompson Cultural & Visitor's Center
- Final EIS – March 2020
- FERC authorization – June 2020



Denali National Park & Preserve

- AGDC submitted to FERC minor route alternative to go thru Denali National Park and Preserve
- Alternative developed in coordination with National Park Service
- Alternative will reduce construction risk and reduce environmental impacts
- Supported by Denali Borough Assembly in 2016

Denali National Park & Preserve



Alaska LNG Project Benefits

- ~\$7.0 billion of materials and services purchased in-state during construction
- Commercialization of Alaska's natural gas
- Increased exploration for gas reserves to supply LNG exports beyond 30 years
- Outlet for stranded natural gas associated with new oil fields
- Economic opportunities for Alaska Railroad
- Jobs: construction – 11,000; operations – 980
- Indirect and induced impacts: 15,910 jobs; Local economic benefits
- Gas for Alaskans
- New revenue source for the State of Alaska

Alaska LNG Benefits – Fairbanks

- Clean air – gas supply to Interior Gas Utility
- Lower cost energy for power generation and home heating
- ~\$273 million in local purchases
- Modest (2%) increase in population
- Recreational impacts minimized
- Regional Fairbanks Operations office - ~300 jobs
- Pipeline goes under the Yukon and Tanana Rivers
- Potential benefits to Eielson AFB and Fort Wainwright

Submit your comments to FERC

- Alaska LNG Project Docket Number – CP17-178-000
- File electronically through FERC website using the eComment feature – www.ferc.gov
- File electronically through FERC website using the eFiling feature – www.ferc.gov
- File a paper copy by mailing to FERC
Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street NE, Room 1A
Washington, D.C. 20426
- Attend the public meeting Thursday, September 12 at Morris Thompson Cultural & Visitors Center – 5:00 – 8:00 p.m.
- Deadline – October 3, 2019 by 5:00 p.m. eastern time

Questions?



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Why Alaska LNG?

- Deliver lower cost energy to Alaskans
- Lower energy costs spur economic growth
 - Interconnections to communities and projects
 - Mining and resource development
 - Rail and marine fuel potential
- Improve Alaska air quality with cleaner burning natural gas
- Create thousands of construction and operations jobs
- Export LNG to capture volume economic benefits
- Create a new state revenue stream

Producer Participation

- BP & ExxonMobil
 - First third-party financial participation in Alaska LNG in three years
 - Each funding 1/3 of AGDC's FY20 costs up to \$10MM
 - Technical assistance with DEIS review and analysis
 - Assisting with evaluation of potential cost reduction opportunities

Stakeholder Engagement

- Government
 - Open dialogue with administration, legislature, and municipalities regarding project developments
- Community
 - AFN & Alaska Native Village Council Association (ANVCA) resolutions of support
 - AGDC Community Advisory Council & Kenai Peninsula Borough Alaska LNG Project Advisory Committee

“I appreciate this commitment and urge all involved parties to work closely with FERC to complete final permit review as soon as possible.”

– Sen. Lisa Murkowski